

FACT SHEET

EX-IM BANK SERVICES FOR SMALL BUSINESS

The Export-Import Bank of the United States (Ex-Im Bank) is the government agency responsible for assisting the export financing of U.S. goods and services through a variety of loan, guarantee, and insurance programs.

Ex-Im Bank has undertaken a major effort to reach more small business exporters with better financing facilities and services, to increase the value of these facilities and services to the exporting community, and to increase the dollar amount of Ex-Im Bank's authorizations supporting small business exports.

As in all Ex-Im Bank programs, the goals for assisting small businesses are to provide superior customer service, to make a difference by providing critical support, and to provide taxpayers with value.

PROGRAM DESCRIPTIONS

Working Capital Guarantee

The Working Capital Guarantee Program assists small businesses in obtaining crucial working capital to fund their export activities. The program guarantees 90 percent of the principal and interest on working capital loans extended by commercial lenders to eligible U.S. exporters. The loan may be used for pre-export activities such as the purchase of inventory, raw materials or the manufacture of a product.

Ex-Im Bank requires the working capital loan to be fully collateralized utilizing inventory, accounts receivable, or other acceptable collateral.

Experienced lenders can obtain Delegated Authority which enables them to commit Ex-Im Bank's guarantee.

The Private Export Funding Corporation has established a program to be a lender of last resort and to purchase Ex-Im Bank guaranteed loans.

Export Credit Insurance

An exporter may reduce foreign risks by purchasing Ex-Im Bank export credit insurance through an insurance broker or directly from Ex-Im Bank. A wide range of policies is available to accommodate many different export credit insurance needs.

Insurance coverage:

- protects the exporter against the failure of foreign buyers to pay their credit obligations for commercial or political reasons;
- encourages exporters to offer foreign buyers competitive terms of payment;
- supports an exporter's prudent penetration of higher risk foreign markets; and
- because the proceeds of the policies are assignable from the insured exporter to a financial institution, it gives exporters and their banks greater financial flexibility in handling overseas accounts receivable.

Small Business Insurance Policy

Ex-Im Bank offers a short-term (up to 180 days) insurance policy geared to meet the particular credit requirements of smaller, less experienced exporters. Products typically supported under short-term policies are spare parts, raw materials, and consumer goods. Under the policy, Ex-Im Bank assumes 95 percent of the commercial and 100 percent of the political risk involved in extending credit to the exporter's overseas customers. This policy frees the exporter from "first loss" commercial risk deductible provisions that are usually found in regular insurance policies. It is a multi-buyer type policy which requires the exporter to insure **all** export **credit** sales. It offers a special "hold-harmless" assignment of proceeds which makes the financing of insured receivables more attractive to banks. This special coverage is available to companies which have an average annual export **credit** sales volume of less than \$3 million for the two years prior to application and which meet the Small Business Administration's definition of a small business.

Umbrella Policy

The Umbrella Policy allows state agencies, export trading and management companies, insurance brokers, and similar agencies to act as intermediaries (administrators) between Ex-Im Bank and their clients by assisting their clients in obtaining export credit insurance. The coverage and eligibility requirements are the same as for the Small Business Policy.

Short-Term Single Buyer Policy

For those exporters who do not want to insure all their short-term export credit sales under a multi-buyer type of policy, the single buyer policy is available to cover single or repetitive sales to the same buyer. The policy offers 90 percent to 100 percent cover for both political and commercial risks of default (depending on the type of buyer, terms of sale, and product) and has no deductible. A special reduced minimum premium is available to small businesses.

Medium-Term Insurance

Medium-term insurance is available for exporters of capital goods or services in amounts of \$10 million or less and terms up to five years. Ex-Im Bank offers 100 percent commercial and political risk protection on the insured portion - 85 percent of the U.S. export value. Although similar to the guarantee program, medium-term insurance is of a more conditional nature because export documents are not reviewed by Ex-Im Bank for completeness until a claim is filed.

Loans and Guarantees

Ex-Im Bank provides loans and guarantees of commercial financing to foreign buyers of U.S. capital goods and related services. Both programs cover up to 85 percent of the U.S. export value, with repayment terms of two years or more. Ex-Im Bank's fixed-rate direct loans are offered at the lowest interest rate permitted under the OECD arrangement for the market and term.

Guarantees

Ex-Im Bank's guarantee provides repayment protection for private sector loans to creditworthy buyers of U.S. capital goods and related services.

Most guarantees provide comprehensive coverage of both political and commercial risks, but political risks only coverage is also available. The guarantee covers 100 percent of principal and interest on the financed portion. In the event of a default, the guaranteed lender must file a claim no less than 30 and no more than 150 days after the default. The claim will be paid within five business days after receipt.

Many U.S. commercial banks have Ex-Im Bank guaranteed lines of credit to foreign banks-Credit Guarantee Facilities. Small business exporters can tap into this financing by having their foreign buyers contact a participating local bank.

Other Programs

Ex-Im Bank will support the export of environmental goods and services through a short-term environmental insurance policy with coverage of 95 percent of the commercial and 100 percent of the political risks of default without a deductible. Medium-term environmental exports have enhanced guarantee coverage with local cost coverage equal to 15 percent of the U.S. contract price and capitalization of interest during construction.

Small businesses will also find Ex-Im Bank to be supportive when they are confronted by foreign tied aid on a capital project. Ex-Im Bank wants to enable competitive U.S. exporters to pursue market penetration opportunities in dynamic developing countries.

Ex-Im Bank's Project Finance Division analyzes transactions where the repayment of the financing is based on a project's cash flow instead of a bank or government guarantee.

Repayment Terms

Ex-Im Bank-supported financing follows the repayment term guidelines customary in international trade. For capital goods sales, the guidelines are:

<u>Minimum Contract Value</u>	<u>Maximum Repayment Term</u>
Less than \$80,000	2 years
\$ 80,000 to \$174,999	3 years
\$175,000 to \$349,999	4 years
\$350,000 or more	5-10 years, depending on the nature of the sale and the OECD classification of the buyer's country.

Loans for projects and large product acquisitions, such as aircraft, are eligible for longer terms while lower unit value items such as automobiles and appliances receive shorter terms.

WHERE TO GET MORE INFORMATION

Toll Free Number

Ex-Im Bank has a special U.S. toll-free number, (800) 565-EXIM, to provide information on the availability and use of working capital guarantees, export credit insurance, guarantees, and loans extended to finance the sale of U.S. goods and services abroad. The worldwide number is (202) 565-3946, and the local number is (202) 565-EXIM. The Fax Retrieval number is 1-800-565-EXIM, press 1, then 2 at voice prompts. The Internet address is **www.exim.gov**.

Seminars & Briefing Programs

Ex-Im Bank offers briefing programs which are available to the small business community. The program includes regular seminars, group briefings and individual discussions held both at Ex-Im Bank and around the country. For a seminar brochure and scheduling information call (202) 565-3912 or fax (202) 565-3723.

City/State Partners

Ex-Im Bank has trained state and local governments in its programs to help expand local support for small businesses.

Alaska	Jim McMillan	(907) 269-3000 Fax (907) 269-3044
Arkansas	Bryan Scoggins	(501) 682-5910 Fax (501) 682-5939
California		
Long Beach	Caroline V. Brown	(562) 499-6014 Fax (562) 499-6080
San Francisco	Peter Yap	(415) 392-2705 Fax (415) 392-1710
Florida	Steve Fancher	(305) 870-5027 Fax (305) 870-5017
Georgia	Bill Bounds	(404) 656-4504 Fax (404) 651-6505
Illinois	Tess Morrison	(217) 244-1585 Fax (217) 333-7410
Indiana	Autumn Brooks Brown	(317) 233-4337 Fax (317) 233-1680

Louisiana		
Baton Rouge	Michael Williams	(225) 342-5675 Fax (225) 342-0142
Baton Rouge	Felipe E. Martinez	(225) 342-5680 Fax (225) 342-0142
Jefferson Parish	Jack Blanke	(225) 362-9378 Fax (225) 365-3890
Maryland	William L. Green	(410) 767-6383 Fax (410) 333-6931
Massachusetts	Eric Hunter	(617) 451-2477 Fax (617) 727-8741
Michigan	Don Keesee	(248) 540-2615 Fax (248) 540-2250
Minnesota	Allan Petersen	(651) 297-4222 Fax (651) 296-3555
Mississippi	Bill Scaggs	(601) 359-6672 Fax (601) 359-3605
Missouri		
St. Louis	John Schneider	(314) 425-3310 Fax (314) 425-3381
Jefferson City	Alice Bernard-Jones	(573) 522-8465 Fax (573) 526-1567
Montana	F. Ron Newbury	(406) 243-6982 Fax (406) 243-2086
Nevada		
Las Vegas	Debra Swartz	(702) 877-9111 Fax (702) 877-2803
Reno	Bobbi Bennett	(775) 826-6172 Fax (775) 826-6398
New Hampshire	Amy Johnson	(603) 334-6074 Fax (603) 334-6110
New Jersey	Joseph F. Cirafici	(609) 633-3641 Fax (609) 633-3672
New York		
Erie County	Edward Arnold	(716) 856-6525 Fax (716) 856-6754
Monroe County	Paul Hohensee	(716) 428-5347 Fax (716) 428-2147
North Carolina		
Chapel Hill	Barry Phillips	(919) 962-0389 Fax (919) 962-3291
Raleigh	Annetta Brady	(919) 715-7272 Fax (919) 715-7777
Winston-Salem	Charles D. John	(910) 750-2030 Fax (910) 750-2031
Charlotte	Michael Mastromichalis	(704) 548-1090 Fax (704) 548-9050
Ohio	Tom LaPorte	(614) 466-0519 Fax (614) 463-1540
Oklahoma	Rana Brown	(405) 815-6552 Fax (405) 815-5142
Pennsylvania		
Philadelphia	Carol Brooks	(215) 683-2127 Fax (215) 557-8538
Harrisburg	Mary McGlinchey	(717) 787-7190 Fax (717) 234-4560
Puerto Rico	Edison Mislá	(787) 765-2707 Fax (787) 765-4260
South Carolina	Wayne Trotter	(864) 241-6351 Fax (864) 241-6357
South Dakota	Joop Bollen	(605) 626-3098 Fax (605) 626-3004
Tennessee	Annette Winston	(423) 632-3744 Fax (423) 523-2071
Texas		
Austin	Craig Pinkley	(512) 936-0247 Fax (512) 936-0520
Dallas	Thierry Meyrat	(214) 712-1934 Fax (214) 748-5774
Utah	Kent Vance	(801) 741-4220 Fax (801) 741-4249
Vermont	Marie Dussault	(802) 828-5461 Fax (802) 828-5474
Virginia	Anna B. Mackley-Cobb	(804) 371-8255 Fax (804) 225-3384
Washington	Warren Gross	(206) 464-7152 Fax (206) 464-7230
Wyoming	Arlene Soto	(307) 632-6141 Fax (307) 632-6061

Regional Offices

Ex-Im Bank's regional office personnel can provide information on all Ex-Im Bank programs, with special emphasis on meeting the needs of small businesses.

Chicago

U.S. Export Assistance Center
55 W. Monroe Street, Suite 2440
Chicago, IL 60603
Phone (312) 353-8081 Fax (312) 353-8098

This office serves Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.

Houston

1880 South Dairy Ashford II, Suite 585
Houston, TX 77077
Phone (281) 721-0465 Fax (281) 679-0156

This office serves Alabama, Arkansas, Louisiana, Mississippi, New Mexico, Oklahoma, W.Tennessee, and Texas.

Long Beach

U.S. Export Assistance Center
One World Trade Center
Suite 1670
Long Beach, CA 90831
Phone (562) 980-4580 Fax (562) 980-4590

This office serves Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, Utah, Wyoming, and U.S. Pacific Islands.

Satellite – San Jose, CA

101 Park Center Plaza
Suite 1001
San Jose, CA 95113
Phone (408) 271-7300 ext. 104 Fax (408) 271-7307
Jim Lucchesi

This office serves Northern California, Oregon, and Washington.

Satellite – Orange County, CA

3300 Irvine Avenue
Suite 305
Newport Beach, CA 92660
Phone (949) 660-1688 ext. 150 Fax (949) 660-8039
Tricia Snow

This office serves Orange County, CA.

Miami

Export-Import Bank of the U.S.
777 N.W. 72nd Ave
Suite 3M2

Miami, Fl. 33126
Phone (305) 526-7436 Fax (305) 526-7435

This office serves Florida, Georgia, Puerto Rico, E. Tennessee, and U.S. Virgin Islands.

New York

U.S. Export Assistance Center
6 World Trade Center, Suite 238
New York, NY 10048
Phone (212) 466-2950 Fax (212) 466-2959

This office serves Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

Washington, D.C.

Export-Import Bank of the United States
811 Vermont Avenue, NW
Washington, DC 20571
Phone (202) 565-3940 Fax (202) 565-3932

This office serves Maryland, North Carolina, South Carolina, Virginia, Washington, DC, and West Virginia.

U.S. Export Assistance Centers (USEAC)

The USEACs are one-stop centers for the services of the U.S. Department of Commerce, Ex-Im Bank, U.S. Small Business Administration and other export-related federal and state agencies.

<u>Location</u>	<u>Phone</u>	<u>Fax</u>
Atlanta	(404) 657-1900	(404) 657-1970
Baltimore	(410) 962-4539	(410) 962-4529
Boston	(617) 424-5990	(617) 424-5992
Charlotte	(704) 333-4886	(704) 332-2681
Cleveland	(216) 522-4750	(216) 522-2235
Dallas	(214) 767-0542	(214) 767-8240
Denver	(303) 844-6622	(303) 844-5651
Detroit	(313) 226-3650	(313) 226-3657
Minneapolis	(612) 348-1638	(612) 348-1650
New Orleans	(504) 589-6546	(504) 589-2337
Philadelphia	(215) 597-6101	(215) 597-6123
Portland	(503) 326-3001	(503) 326-6351
San Jose	(408) 271-7300	(408) 271-7307
Seattle	(206) 553-5615	(206) 553-7253
St. Louis	(314) 425-3302	(314) 425-3381